Cornerstone Communications, LLC 19 School Road Charleston, Maine 04422

REDACTED

October 15, 2003

By E-mail and U.S. Mail

MAINE PUBLIC UTILITIES COMMISSION Attn: Rapid Response Process Team 242 State Street / State House Station 18 Augusta, Maine 04333-0018

Re: RRP - Cornerstone Communications, LLC - October 15, 2003

Dear Rapid Response Process Team:

By this letter Cornerstone Communications, LLC ("Cornerstone") submits, for your consideration under the Rapid Response Process ("RRP"), its Complaint against Verizon Maine ("Verizon").

I. Summary.

The subject of the Complaint is access by Cornerstone to Verizon's facilities within and around its Remote Terminal enclosures, for the purposes of (a) access to Verizon's Distribution Subloop UNEs at its Feeder-Distribution Interfaces (FDIs), and (b) possible collocation of Cornerstone's equipment in Verizon's RT space. As stated in more detail below, Cornerstone believes that Verizon is unwilling to make such access and collocation available at reasonable rates and within a reasonable time frame. Cornerstone believes that Verizon's failure to provide the required access is:

- inconsistent with the terms of the Interconnection Agreement between Verizon and Cornerstone:
- inconsistent with Verizon's own tariff language in the already approved Collocation portion of its Wholesale Tariff No. 20;
- contrary to the clear directives of the Federal Communications Commission in its implementation of the Telecommunications Act of 1996;
- contrary to the public policy interests of the State of Maine;
- discriminatory against Cornerstone in its effect; and
- directly and immediately injurious to the business interests of Cornerstone, as well as harmful to the interests of Cornerstone's customers.

The <u>specific and immediate</u> <u>relief</u> being requested by Cornerstone by means of the Rapid Response Process is as follows:

• That Verizon be instructed to immediately schedule, and promptly perform, the splicing requested by Cornerstone that will give Cornerstone access to

Verizon's Subloop UNEs served from Verizon's RT cabinet and FDI located at

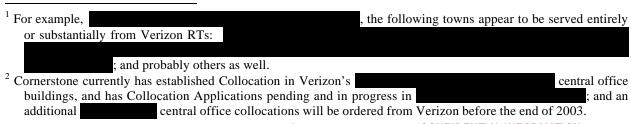
- That Verizon be ordered to immediately make its RT site available for inspection by Cornerstone, in accordance with the specific terms of the Interconnection Agreement between the two companies; and
- That the Commission assign a Staff member to observe and mediate during the process of developing procedures for this form of collocation and access to Verizon's Subloop UNEs.

II. Particulars.

(A) General.

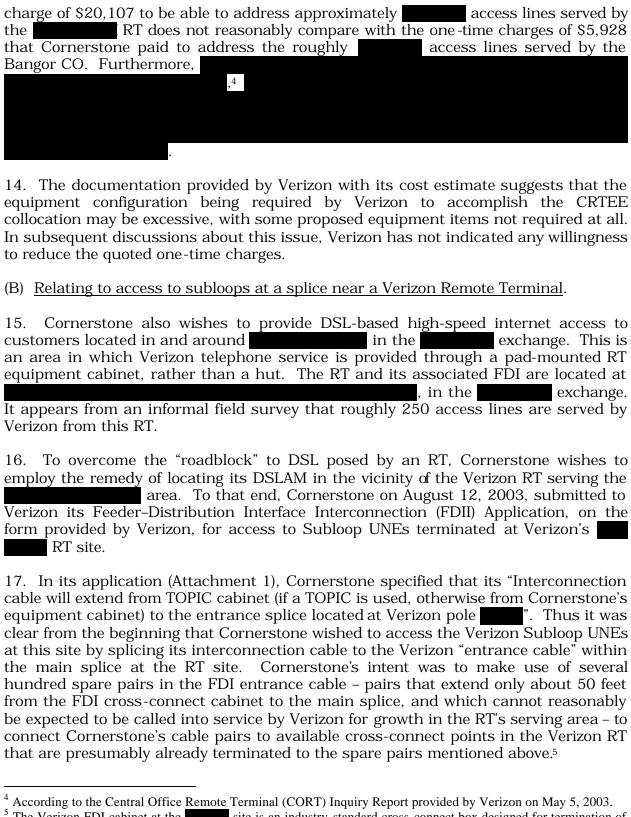
- 1. Cornerstone is a CLEC certified by the Commission to do business as such in the State of Maine. Cornerstone is authorized to offer voice services on a resale basis to its customers, and is prepared to do so; and Cornerstone is authorized to acquire from Verizon UNEs in order to provide its services to its customers.
- 2. Cornerstone has a valid Interconnection Agreement with Verizon. This Agreement is an adoption of the agreement between Mid-Maine TelPlus and Bell Atlantic, as authorized under the Telecommunications Act of 1996. The Agreement has been approved by the Commission.
- 3. Cornerstone is providing data services to customers in Verizon's exchange, and intends to provide voice and data services to a number of communities.

 Most of these communities are not presently served by any competitor to Verizon. Many of them do not presently have, and are not slated in the near future to receive, certain of the services that Cornerstone wishes to provide most notably, DSL broadband services. Many of these towns are served, entirely or substantially, from Verizon Remote Terminals (RTs) rather than directly from Verizon Central Offices (COs).
- 4. In order to provide its services to its customers, Cornerstone is investing in electronic equipment and installing that equipment at its network points in its service area. Some of these Cornerstone network electronics sites will be within collocation areas in Verizon CO buildings², while others will be located either within Verizon RT enclosures or in nearby facilities provided by Cornerstone for the purpose. These facilities will include outdoor enclosures (cabinets) and huts, as well as space leased from third parties.



- 5. Among other services, Cornerstone is providing high-speed internet access to its customers using Digital Subscriber Line (DSL) technology. This technology makes use of existing traditional copper telephone plant to extend services to individual customer premises. Internet access services based on DSL technology offer significant benefits to end-users of the services including higher data speeds, lower costs, "always-on" service, and a higher grade of reliability than competing modes of internet access.
- 6. By its nature, DSL service, designed to transmit signals over relatively short copper telephone cable loops, cannot reach customers who (a) are located at too great a distance from the DSL aggregation device (the DSLAM) installed by the service provider; or (b) are located at a point that does not have continuous copper cable between the DSLAM and the customer location.
- 7. In recent years Verizon has deployed significant numbers of Remote Terminals (RTs) in its exchanges in Maine. These RTs, equipped by Verizon with Digital Loop Carrier (DLC) systems, are used as concentration points, generally for customer services in outlying areas of an exchange.
- 8. A by-product of Verizon's use of RTs and DLC systems is that usually DSL service cannot be extended from a CLEC's DSLAM in its central office collocation space out to a customer location, because there is usually not a continuous copper path between the CO and the customer location. The customer's telephone service his "loop" is carried from the central office to an intermediate RT on a DLC system riding on either fiber optic cable or T1 carrier systems carried on copper cable pairs.³
- 9. As a result of this "roadblock" to DSL originating in the central office, customers situated behind RTs and desiring high-speed services are forced to subscribe to a relatively expensive T1 line which may provide far more capacity than they need. Or, alternatively, they are simply "priced out" of high-speed services altogether.
- 10. One remedy the CLEC may use to overcome this obstacle and serve customers located beyond an RT is to locate the CLEC's DSLAM at or near the RT, and provision its high-speed services over a Verizon Distribution Subloop UNE from the RT to the customer site.
- 11. Cornerstone has attempted to employ exactly this remedy by locating its DSLAM inside the Verizon RT Hut _______. To that end, on June 11, 2003, Cornerstone submitted to Verizon its Collocation Remote Terminal Equipment Enclosure (CRTEE) Application, on the form provided by Verizon, for collocation within Verizon's Precast Concrete Hut (PCH) housing Verizon's RT ______.
- 12. Several exchanges of information have taken place between Verizon and Cornerstone since the CRTEE Application was submitted. At one point Verizon representatives met with Cornerstone at the RT site, where Verizon explained their ideas about how collocation should be done at this RT.
- 13. With respect to collocation by Cornerstone at the RT hut in Verizon has given Cornerstone a preliminary estimate of one-time charges to be paid by Cornerstone, in the amount of \$20,107. Cornerstone believes that a one-time

³ Certain Verizon RTs do have a limited amount of copper "feeder" cable pairs between the central office and the RT site. However, the availability of such pairs is relatively infrequent. Many RTs are "fed" from the CO entirely with fiber optic cable.



The Verizon FDI cabinet at the site is an industry-standard cross-connect box designed for termination of 1800 pairs. The "entrance cable" from the splice on Pole appears to be a 900-pair cable. Presumably Verizon uses about 300 pairs within the cross-connect box to terminate its F1 Feeder facilities, which are all or mostly DLC carrier channels back to the CO; possibly 100 pairs to terminate any copper F1 Feeder pairs coming from the CO, although there may not be any such; and around 500 pairs to terminate F2 Distribution pairs radiating out through the serving area of this RT site, assuming a reasonable 2-pairs-per-working-service ratio. Thus, there should be plenty of spare termination capacity within the cross-connect box, presumably

- 18. Several days following receipt of our FDI Interconnection Application, Verizon requested a diagram of Cornerstone's proposal for interconnection at the Pole site. On August 26, I supplied Verizon with the requested diagram (Attachment 2). I sent it to Richard Rousey, Verizon's Subloop Product Manager, and Susan Dumont, my assigned Collocation Project Manager, attached to a 3-page e-mail that explained the diagram (Attachment 3). I urge the RRP Team to read that August 26 e-mail for a more detailed explanation of the Cornerstone request.
- 19. In a telephone conference call with several Verizon participants on August 27, James Hunter of Verizon stated that Verizon would not splice my cable into their cable at the splice at Pole , because "Verizon does not splice CLEC cables to Verizon cables". Verizon requested that I modify Cornerstone's application so that my cable would enter Verizon's FDI directly, rather than be spliced to the available and otherwise useless Verizon cable pairs described in paragraph 17 above. Mr. Hunter further stated that there were only 200 terminations available to Cornerstone in the FDI cabinet under the Verizon-proposed plan; this necessitated Cornerstone reducing its request from terminated pairs from 300 (100 Voice-Grade pairs and 100 Line-Sharing arrangements) down to 200 (100 Voice-Grade pairs and 50 Line-Sharing arrangements). I reluctantly modified my FDII Application (Attachment 4) and diagram (Attachment 5) on August 27 to accommodate these Verizon demands.
- 20. After much back-and-forth discussion on the issue of whether Cornerstone was requesting a "TOPIC" or "No-TOPIC" style of FDI interconnection, Verizon asked that I submit yet another revision of the FDII Application and diagram, reflecting Cornerstone's decision to request a "No-TOPIC" arrangement. I submitted this revision on September 18.
- 21. Verizon has asserted that Cornerstone must pay an Application Fee of \$2,500.00 in order to continue pursuit of the FDII Application. This request has been made, notwithstanding the fact that there is no approved tariff yet in place that calls for the payment of any such fee; and also notwithstanding the fact that Verizon is already holding a similar Application Fee for Cornerstone's application for CRTEE Collocation site, for which Verizon has responded only with at Verizon's absurdly high and anti-competitive price quotations for which they have so far failed to deliver requested breakdowns in detail. While at one point Cornerstone was willing to consider paying another Application Fee, a number of factors - the delays in implementing the FDI Interconnection, the unrealistic pricing responses to our CRTEE Application, and the suggestion by Verizon that Cornerstone may have to file a CRTEE Application and pay its attendant fee in connection with this FDII Application - lead Cornerstone to conclude that Verizon's administration of the Application Fee itself is intended to unfairly discourage reasonable CLEC efforts to compete by means of accessing Verizon Subloop UNEs.

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including about 400 spare terminations that are already spliced to the 900-pair "entrance cable" but which do not go any further than the main splice at Pole.

⁶ Each Line-Sharing arrangement requires two cable pair terminations, as opposed to one cable pair termination for each regular Voice-Grade pair.

⁷ Both these terms are Verizon creations and are peculiar to FDI Interconnection arrangements – of which none have yet been implemented, please recall. They relate to whether or not the CLEC will place a Telephone Outside Plant Interconnection Cabinet (TOPIC) near the FDI Interconnection site, presumably for a demarcation, access and test point. No Verizon equipment or construction is involved in the use or non-use of a TOPIC. Regulators in some other states have ruled that an ILEC may not require the use of a TOPIC, I am told.

22. On September 22, I received from Verizon's Susan Dumont an e-mail (Attachment 6) requesting clarification of a number of objections that Verizon's Outside Plant Engineers had raised to Cornerstone's FDII Application, even as successively modified at Verizon's request. On September 23, I responded by e-mail (Attachment 7). In that e-mail I asked Verizon to revisit the issue of splicing Cornerstone's interconnection cable at the splice at Pole into the FDI through spare pairs in the entrance cable. I asked that, if Verizon were still rejecting that approach, that they "PLEASE ESCALATE this issue through the highest necessary decision-making channels within your organization." (Emphasis in original.) I also stated:

"To me the cleanest, most effective solution would be to revert to the proposal in my original application – in which Cornerstone presents its cable to Verizon for splicing in the splice on Pole to spare binder groups that are presumably already terminated to binding posts within the FDI cabinet. This approach is the least disruptive to Verizon, imposes the smallest labor requirement on Verizon's workforce, and is the least expensive and most cost-effective to Cornerstone. As you are considering this issue, please take a closer look at that possible solution. I think it would be the right one for us all."

- 23. On September 29, James Hunter responded for Verizon by e-mail (Attachment 8) that Verizon was "still unwilling to consider Cornerstone's original and preferred arrangement" because "adding another cable may cause expansion and replacement of the splice case."
- 24. Cornerstone's request for FDI Interconnection, in the manner Cornerstone originally requested it in this instance, is not burdensome to Verizon. There is no other method of access to Verizon's Subloop UNEs that could possibly be less intrusive. Cornerstone's method, in which Cornerstone accesses the Subloops at the splice at the pole immediately adjacent to the RT and FDI, would require a minimum of labor from Verizon. Verizon's alternative method involves Cornerstone digging the ground outside the Verizon easement, and then Verizon digging the ground inside its easement, to place conduit from some external point into the FDI enclosure. In all probability Verizon's method would require the concrete pad on which the FDI cabinet sits to be penetrated, at some cost. By contrast, Cornerstone's method would require, upon information and belief, only about 5 hours of a Verizon splicer's time to go up in a bucket lift, open the existing splice closure, splice Cornerstone's 300 cable pairs to the existing Verizon cable pairs leading into the FDI, and replace the closure cover.
- 25. Verizon's refusal to allow Cornerstone to gain access to the FDI at Pole presenting a Cornerstone cable to Verizon for splicing by Verizon to the Verizon cable that enters the FDI is plainly unlawful. The Federal Communications Commission, in its Triennial Review Order, has stated, "We require incumbent LECs to make routine network modifications"8 "By way of illustration, we find that <u>loop modification functions that the incumbent LECs</u> routinely perform for their own customers, and therefore <u>must perform for competitors</u>, include, but are not limited to, rearrangement or splicing of cable,"9 "Further, activities such as ... splicing into existing cable,

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⁸ Federal Communications Commission, Report and Order on Remand and Further Notice of Proposed Rulemaking, Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers [Triennial Review Order], CC Docket Nos. 01-338, 96-98, 98-147, released August 21, 2003, at ¶632.

⁹ *Ibid.*, at ¶634; emphasis added.

deploying bucket trucks to reach aerial cable, and installing equipment casings do not render a modification a substantial alteration Rather, these activities can be described as comprising the 'routine, day-to-day work of managing an [incumbent LEC's] network'."¹⁰ And finally, and exactly on point, the FCC has stated that "To facilitate competitive LEC access to the copper subloop UNE, we require incumbent LECs to provide, upon a site-specific request, access to the copper subloop at a splice near their remote terminals."¹¹ The situation presented by Cornerstone's request for access to Verizon's copper subloops at the splice at Pole is exactly the situation that the FCC was contemplating in writing that last sentence.

26. Because of the simplicity of the arrangement Cornerstone has requested for access to Verizon's Subloops at Pole ; because the work involved has been found by the FCC to be a "routine network modification" by "splicing of cable" which "the incumbent LEC must perform for competitors" as part of Verizon's "routine, day-to-day work"; because Verizon, upon information and belief, is now actively deploying its own DSL services competitive with Cornerstone's in its own RTs in Maine; because of the minimal time and labor required to accomplish the work; and because the reasonable competitive interests of Cornerstone and the public interest both require it – for all these reasons Cornerstone requests that the RRP Team order Verizon to immediately perform the required splicing at the splice and make its Subloops at that FDI available to Cornerstone.

(C) Relating to inspection by Cornerstone of potential Verizon collocation sites.

27. Knowing that Cornerstone' FDII Application at Pole was, according to Richard Rousey of Verizon, a first use of the FDI Interconnection Application form and process, not just in Maine but anywhere in the Verizon national service area, in its application Cornerstone requested as follows: "Because this is a 'first' FDII application in Maine, Cornerstone requests an early meeting at the site with Verizon's Collocation team to discuss specific technical details". This request has never been granted.

28. On September 22 Cornerstone requested by e-mail (Attachment 9) that it be
allowed "to exercise Cornerstone's right, under §13.11 of our Interconnection
Agreement with Verizon, to inspect the site at
, at which we are contemplating establishing an FDII arrangement".
Later that week, on September 25, Verizon having not yet responded, I offered further
suggestions with regard to the request. That afternoon, in a telephone conference call,
Verizon informed me that they were still considering my request to inspect the site. In
reply, I specified that I would like to perform the inspection on one of the days from
September 29 to October 1.

29. On September 29 James Hunter of Verizon e-mailed me (Attachment 10) to state that "At this time we do not believe inspections of our FDI and Remote Terminal at the site ... is warranted." The reason given for the refusal was that Cornerstone had not submitted an application for Collocation at the Remote Terminal at that site (apparently distinguishing an application for Collocation from an application for FDI Interconnection, although both are within the Collocation section of the proposed Verizon Tariff 20 revisions); and also that Cornerstone had not paid an Application Fee and 50% of the estimated costs of the FDII Arrangement. (It should be

¹⁰ *Ibid.*, at ¶637; emphasis added.

¹¹ *Ibid.*, at ¶254; emphasis added.

noted that at this time Verizon had not even offered a quotation of the estimated costs, so that it would not have been possible for Cornerstone to comply.)

- 30. On September 30 I responded by e-mail (Attachment 11) that "I believe that the language of our Interconnection Agreement is clear on this point. Cornerstone's right to inspect a potential collocation site is not conditioned on any of the items in James's memo".
- 31. The specific provision for inspection in the Cornerstone—Verizon Interconnection Agreement is found in §13.11, which reads in its entirety as follows:
 - 13.11 <u>Site Inspection</u>. BA shall allow Mid-Maine to inspect Mid-Maine Collocation sites that are being constructed (as well as potential Mid-Maine Collocation sites) on BA premises at reasonable times.

(Since Cornerstone's Interconnection Agreement is an adoption of the Mid-Maine TelPlus agreement, "Cornerstone" replaces "Mid-Maine" and "Verizon" replaces "BA" in the application of the above paragraph.) This stand-alone paragraph has no conditions or restrictions attached to it. It clearly places the decision to inspect in Cornerstone's hands; only Cornerstone can determine, in applying its business plan, whether a particular site is a "potential Cornerstone Collocation site". Verizon has bound itself by its agreement in this paragraph that it will permit such inspections. Most specifically, Cornerstone's right to inspect – in order to determine whether or not an application for collocation should be made at the site – is not and properly cannot be conditioned upon payment of an application fee for collocation at the site.

- 32. Although the issue has not yet been raised, no doubt Verizon would argue that they are entitled to recover their costs in accommodating a request for inspection. While the Interconnection Agreement does not specifically require it, Cornerstone is willing to pay reasonable costs, which Cornerstone believes would consist of an "escorting" charge for one technician, at Verizon's \$47.24/hour rate as specified in Verizon Tariff PUC-Maine No. 20, Part M, Section 5.2.6.
- 33. Because Cornerstone's right to inspect is clearly established by its Interconnection Agreement with Verizon, and is unconditional; because Cornerstone is willing to pay reasonable "escorting" charges to Verizon as established in Verizon's tariff; because Cornerstone has deemed that an inspection of the RT and FDI at is necessary and useful in Cornerstone's evaluation of the best means of access to Verizon's subloops at that site; and because Cornerstone finds itself in an ever more competitive market situation, with Verizon now deploying its own DSL services in RTs in some markets for all these reasons Cornerstone requests that the RRP Team order Verizon to immediately make arrangements for a detailed inspection by Cornerstone of Verizon's RT and FDI at
- (D) Relating to assignment of a Commission Staff member to observe and mediate.
- 34. Cornerstone believes that the prompt implementation of the remedies requested in this Rapid Response Process Complaint would be assured by the RRP Team assigning a Staff member to monitor the process, to offer suggestions and mediation where it might be useful, and to report back and keep the RRP Team informed of the progress being made in resolving these issues. The Staff member should be entitled at his discretion to be involved in all substantive conversations between the parties, and

should be copied on all correspondence between the parties on these issues. Therefore, Cornerstone requests that the RRP Team assign a Staff member for those purposes.

III. Other Matters.

(A) The harm which could result to the Complainant.

- 1. Cornerstone's objective is to extend its services to areas in Maine that are not in line to receive such services from other providers. These areas specifically include areas served by Verizon RTs. To the best of Cornerstone's knowledge, the RT serving areas in which Cornerstone proposes at this time to offer service do not presently have any alternative for DSL service, either from Verizon or from another provider. In fact, most of the exchanges in which these RTs are located do not have another CLEC presence at this time; and they are in the Rural Density Zone, which is largely underserved by competitive LECs.
- 2. The goal of Cornerstone's effort is to provide affordable telecommunications services, including broadband DSL internet access, to rural parts of the state. This goal aligns with the stated policies of Maine government. Cornerstone is concerned that, if the issues in this Complaint are not resolved properly, effective delivery of broadband access services to significant portions of Maine will not be achieved, whether by Cornerstone or by other parties. This result is especially egregious in those communities that have no CATV cable system over which cable-modem service might someday be provided.
- 3. Cornerstone's objectives and goals will be unachievable, notwithstanding the willingness of Cornerstone as a service provider, if the terms and the costs for access to Verizon's subloop UNEs and, where appropriate, collocation in their RT huts, result in those facilities either being effectively "unavailable" to a CLEC or priced at a level that cannot be sustained by the small market area served by an RT. 12 A number of locations that Cornerstone wishes to serve entire towns, in some cases will simply be economically impossible to serve in the absence of affordable access to those Verizon subloops and facilities.

(B) The requirement for immediate redress.

- 1. Cornerstone is at this time prepared to submit to Verizon further FDI Interconnection Applications for several sites at which it has determined there is a demand for its services. The uncertainty about the methods and costs for this type of access to Verizon's plant, however, makes it economically impractical for Cornerstone to undertake such an effort until clarity on those issues can be achieved.
- 2. In addition, significant non-refundable application fees are associated with these applications. Cornerstone cannot submit its applications until it is sure that it will be able to serve these areas served by Verizon RTs in a reasonable time and at a reasonable underlying cost. Hence, Cornerstone is blocked from proceeding further with the implementation of its business plan until this issue is resolved.

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CONFIDENTIAL INFORMATION

3. Meanwhile, upon belief and knowledge, Verizon is seizing a "first-mover" advantage in bringing its DSL product to a number of RT-served markets. Cornerstone needs the opportunity to move quickly to bring its services to the communities it seeks to serve, in order to avoid being disadvantaged by Verizon's ability to quickly deploy its own similar services.

(C) Whether a Preliminary Finding is requested.

- 1. Cornerstone is requesting immediate relief on three matters:
 - Cornerstone requests that the RRP Team order Verizon to immediately perform the required splicing and make its Subloops at that FDI available to Cornerstone.
 - Cornerstone requests that the RRP Team order Verizon to immediately make arrangements for a detailed inspection by Cornerstone of Verizon's RT and FDI
 - Cornerstone requests that the RRP Team assign a Staff member for the purposes of monitoring the process of dispute resolution, offering suggestions and mediation where it might be useful, and reporting back and keeping the RRP Team informed of the progress being made in resolving the issues listed above.

It appears that the immediate relief Cornerstone is requesting can best be provided in the near term by means of Preliminary Findings.

(D). The need for confidential treatment.

Cornerstone requests that, should this matter be docketed at some point in the future, the proprietary interests of both Verizon and Cornerstone should be protected. At such time, Cornerstone would be willing to provide a redacted copy of this document for formal filing, and Cornerstone would propose a Protective Order. At a minimum, the identity of the specific locations being discussed is information that Cornerstone regards as competitively sensitive.

(E). Availability for a conference call.

I will be available for a conference call between 8:15am and 4:45pm on Friday, October 17 (two business days following the filing of this Complaint). I will also be available tomorrow, October 16, if that is better for the RRP Team and for Verizon.

Thanks for your prompt attention to this matter. Please feel free to contact me, either by e-mail at andy.hinkley@christianhillfarm.com or by phone on 285-7174, if you have any questions.

Very truly yours,

Andrew H. Hinkley, Manager

cc: Karen B. Romano, Verizon RRP Contact